



Trust Company Written Policy and Procedure Guidance

Written Policy and Procedures

Each South Dakota chartered trust company is required to develop and implement written policies and procedures specific to company operations and administration. Management must develop and implement a periodic review program to ensure written policies and procedures remain dynamic. Management's review must be well documented in Board and/or committee meeting minutes. At minimum, written policies and procedures should address the following:

- Board/committee/employee duties and responsibilities – May be addressed in by-laws
- Job descriptions and employee duties – May be addressed in by-laws
- Strategic Planning
- Succession Planning
- Ethics Requirements
- Conflict of Interest/Self Dealing guidance
- Account acceptance/closing guidance
- Account pre- and post-acceptance guidance
- Periodic administrative and investment account review procedures
- Third party due diligence review procedures including affiliated service providers
- Complaint/litigation guidance
- Sweep arrangements/prompt investment of cash guidance
- Discretionary distribution guidance
- Trust company audit requirements
- Internal controls and duty segregations
- Account and asset safekeeping reconciliations
- Account statement procedures
- Fee processing and receipt of non-ordinary fees (12b-1, recordkeeping, etc)
- Budget process
- Disaster/Contingency Planning
- Corporate Trustee Oversight, if applicable
- Investment function and oversight (See Investment Component Guidance)
- Pooled Investment Guidance, if applicable (See Pooled Investment Guidance)
- BSA/Customer identification guidance (See BSA Guidance)
- Regulation R (See Reg R Guidance)